January 30, 2004

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Re: Docket Numbers: R-1167, R-1168, R-1169 R-1170, And R-1171

Dear Madam:

Thank you for the opportunity to comment on the Proposed Rules to amend Regulations Z,B,E,M, and DD relating to the provisions to "define more specifically the standards for providing "clear and conspicuous" disclosures, and to provide a more uniform standard among the Board's regulations."

Proposed Revisions:

Clear and Conspicuous
The current regulations listed above provides that disclosures must be "clear and conspicuous" or "clear and readily understandable" under Regulation E. The commentary to the regulations explains the meaning of "clear and conspicuous" in addition several states have laws that also address "clear and conspicuous" disclosures and in "plain language". The term is clearly defined and no additional explanations seem necessary.

The term "clear and conspicuous" is understood not only by bankers but also by consumers. Consumers are familiar with the disclosures that the financial institutions provide. To change disclosures would be costly to the financial institution as well as confusing to the consumer. In my 25 years with this financial institution to my knowledge we have never received a complaint from a consumer as it relates to the disclosures not being clear or understandable.

Regulation Z requires specific disclosures to be segregated from other disclosures and designed to be "readily noticeable to the consumer." We bring attention to specific disclosures now by boldface type and since the amendments to Regulation Z in 1981 we have had disclosures separated, clear and understandable as the regulation requires. Anyone who has ever had a loan is familiar with the "Fed Box" to change these disclosures would be a disruption not only to the way we do business but also a source of confusion to our customers.

Regulation DD requires disclosures concerning a consumer's transaction or investment account to be made in "clear and plain language" in a format designed to allow consumers to readily understand the terms of the accounts. Specific terminology must now be disclosed in plain language to fulfill the requirements of the regulation. Our customers understand and are familiar with our disclosures. Since disclosures are now required to meet the "clear and conspicuous" definition it would be an added expense to revise these disclosures. In 1992 we had to expense thousands of dollars to comply with Regulation DD to repeat that cost without any apparent added benefits to the consumer appears to be an unnecessary burden.

Regulation B disclosures had to be revised in 2003 to collect the additional monitoring information for Regulation C (HMDA). Consumer applications must be in compliance by April 2004 to comply with the joint credit revisions. Regulation B has been amended twice in the last

two years at an added expense to the bank. If Regulation B is amended for a third time, the cost becomes overwhelming.

I have addressed the cost as it relates to replacing disclosures; in addition there is the added expense of training employees, the time involved in reviewing forms to determine what disclosures would need to be revised then reviewing the revised documents to assure that they are in compliance. I can testify to the time involved in reviewing documents since we have had to replace software in the past. Replacing software is a very expensive proposition.

It appears that the consumers understand the disclosures that are currently provided to them, and there is not any evidence to the contrary; I find it difficult to understand the reasoning behind the amendments to the regulations taking into consideration the expense involved for the financial institutions. Thank you for allowing me to comment on these proposals.

Respectfully Submitted,

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